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INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 6587  
RUEHLM/AMEMBASSY COLOMBO PRIORITY 6895  
RUEHKA/AMEMBASSY DHAKA PRIORITY 2194  
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 4935  
RUEHLO/AMEMBASSY LONDON PRIORITY 6154  
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 2555  
RUEHSA/AMEMBASSY PRETORIA PRIORITY 0181  
RUEHCI/AMCONSUL KOLKATA PRIORITY 4270  
RUEHGV/USMISSION GENEVA PRIORITY 2122  
RUEKJCS/SECDEF WASHDC PRIORITY  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 3270  
RHEFDIA/DIA WASHDC PRIORITY  
RHMFISS/CDR USPACOM HONOLULU HI PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000829

SIPDIS

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TAGS: [PREL](#) [PGOV](#) [KDEM](#) [NP](#)  
SUBJECT: NEPAL SWEARS IN FIRST PRESIDENT

REF: KATHMANDU 820

Classified By: Charge d'Affaires a.i. Randy W. Berry. Reasons 1.4 (b/d).

#### Summary

¶1. (U) Dr. Ram Baran Yadav was sworn in as Nepal's first President July 23, and then administered the oath of office to Vice-President Paramananda Jha. Prime Minister Koirala is expected to submit his resignation to the President after the inauguration, paving the way for the formation of a new government. Subash Nemwang has been nominated to become Chairman of the Constituent Assembly; the election is scheduled for July 24. Despite Maoist anger and disappointment, they are still negotiating with other parties regarding other Constituent Assembly and government positions.

#### Yadav and Jha Sworn In

¶2. (U) On July 23 in an afternoon ceremony at Shital Niwas (current location of the Foreign Ministry, but soon to house the office and residence of the President) Dr. Ram Baran Yadav was sworn in as Nepal's first President. He took the oath of office from Chief Justice Kedar Prasad Giri. Yadav then administered the oath of office to Vice-President Parmananda Jha. On July 22 Prime Minister Koirala accepted Yadav's resignation from his membership and positions within Nepali Congress (NC), Jha had resigned from his membership and positions in the Madhesi People's Rights Forum (MPRF) on July 20.

#### Next Steps: Government Formation

¶3. (SBU) Prime Minister Girija Prasad Koirala is expected to formally submit his resignation to President Yadav after the inauguration ceremony on July 23. He and the other ministers will remain as caretakers until a new government is sworn in. Party leaders have said that after electing the CA Chairman they will intensify their negotiations on the formation of the government. By tradition, though not explicitly required by the Interim Constitution, President Yadav would then ask the leader of the largest political party (Pushpa Dahal (aka Prachanda) from the Communist Party of Nepal - Maoist

(CPN-M)) to form a new government.

Next Steps: Constituent Assembly

14. (U) Subash Nemwang has been proposed as Chairman of the Constituent Assembly (CA) by his party, the Communist Party of Nepal - United Marxist Leninist (UML). (Note: Nemwang served as Speaker of the Interim Parliament and is generally considered to have done a good job. End note.) The election, scheduled for July 24, would complete the initial steps of the deal between the NC, MPRF, and UML to support each other's candidates for president, vice-president, and CA Chairman. Negotiations between the three party alliance and other parties to have Nemwang run unopposed appear to be successful. However, if negotiations fail other parties must register their nominees by close of business July 23. (Note: As the oldest member Kul Bahadur Gurung, NC, has been temporarily serving as CA Chairman. End note.)

Comment

15. (C) Despite public statements from Maoist leaders in the past few days that since they lost the elections for president and vice-president they were withdrawing their claim to form the next government, post believes these statements to be part of the Maoist's strategic bargaining and not a rejection of parliamentary politics. Maoist criticism of the three party alliance for undermining the peace process reflects Maoist surprise at being

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outmaneuvered. Post believes it is likely Nemwang will win election as CA Chairman without opposition, and Pushpa Dahal is still the leading candidate to become Prime Minister. Negotiations to form the new government have been complicated by events of the past week, but Nepali politics are rarely smooth and easy.  
BERRY